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SUBJECT: MP NAJAFI WARNS- RUSHING THROUGH BENCHMARKS

DETRIMENTAL TO IRAQI SECURITY AND UNITY

Classified By: Ambassador Ryan C. Crocker for reasons 1.4 (b) and (d).

11. (C) Summary. In a meeting with other Iraqiyya bloc Council of Representative (CoR) members July 8 (septel), Osama al-Najafi warned Ambassador against pushing through key reconciliation legislation just to meet the September benchmark deadline. Acknowledging the domestic American imperative, al-Najafi advised that forcing passage of benchmark legislation that does not address the concerns of all Iraqi communities would be detrimental to Iraqi security and unity and lead to an "explosion in the Iraqi situation" End Summary.

Rushing Benchmarks Dangerous to Iraqi Interests

- 12. (C) The Ambassador explained that President Bush is strongly committed to Iraq's success; in order to maintain strong American support for Iraq, it is vital that we be able to point to some signs of political progress. The Ambassador recognized that as an MP, al-Najafi's first duty is to his constituents and his country. Nonetheless, the Ambassador emphasized that the benchmarks have assumed a great importance in our debate; achievement of several benchmarks would be hugely helpful for our efforts in Iraq as we approach September. Oil legislation is the most advanced, Ambassador pointed out, and it would also be extremely advantageous to see serious progress on de-Ba'athification reform efforts.
- 13. (C) Al-Najafi concurred that as an Iraqi MP, his first priority is to look after Iraqi interests. GOI efforts to impose reconciliation legislation unilaterally, he commented, will lead to increased sectarian conflict. "If we are pushed to agree on benchmarks now," al-Najafi predicted, "the situation in Iraq will explode." Rather, al-Najafi advised, the benchmarks should be drafted and debated in a measured way that "leads us closer to reconciliation, not away from it." Al-Najafi, a Sunni Arab secularist, complained that the benchmarks are being used by sectarian blocs to further their own political interests rather than as tools for reconciliation. Without a consensus among the three communities, he said, pressure to move faster will result in a "political explosion." The Ambassador acknowledged a dilemma facing Iraqi politicians, but he stressed that the U.S. is losing over a hundred men and women a month to provide security necessary to buy time for the political process to succeed -- our challenge is to demonstrate to the American people that it is worth the sacrifice.

Hydrocarbons: Bait and Switch?

 $\P4$ . (C) Al-Najafi pointed to the hydrocarbons law as an example of how agreement on benchmarks under pressure would be detrimental to reconciliation efforts. He accused Prime Minster Maliki of "tricking the Council of Ministers and the

CoR" by introducing a different document to CoR than the one which the Council of Ministers approved. Al-Najafi insisted that the changes were more than semantic, claiming that the two versions were "radically different" and that compromise annexes approved by the Council of Ministers were omitted when the draft law was submitted to the CoR. Such moves by the GOI raise doubts and suspicion as to the motivations of the PM and his coalition, he said. (Note: EmbOffs are currently examining the two drafts for discrepancies. End Note.)

Resignation from the Oil and Gas Committee

- 15. (U) Al-Najafi resigned from the CoR Oil and Gas Committee July 7 in protest of GOI handling of the Hydrocarbons legislation approved by the Council of Ministers and introduced to the CoR. Al-Najafi explained his resignation in a July 7 press statement saying he intended to "keep my hands clean of this law... that will destroy the future of the country." Al-Najafi also cited as a reason for his resignation "American insistence on issuing this law... persistent multiple visits by high rank American authorities... a timeline given to the government and CoR."
- 16. (C) Comment: Al-Najafi's view that the benchmarks do not necessarily reflect Iraqi priorities illustrates the tension that exists between U.S. need to demonstrate tangible progress to domestic audiences, and the Iraqi national interest to create laws that address the equities of all the communities to reach lasting reconciliation. Iraqiyya opposition to the hydrocarbons law is not new. Iraqiyya bloc leaders and former PM Ayad Allawi have been critical of the hydrocarbons laws from the first draft as detrimental to reconciliation. We have heard similar comments from other

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Iraqi MPs and GOI figures, who express concerns that forcing benchmarks through regardless of the quality of the legislation will not resolve Iraq's key problems.

17. (C) Comment (continued): Al-Najafi's criticism of USG lobbying on behalf of the law points to another problem: that high-profile USG statements and lobbying on hydrocarbons legislation strengthen the hand of those, especially Sadrists, who argue the legislation is designed to sell out Irag's natural resources to the U.S. End Comment.

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